

of the average investor are sometimes overlooked, especially the need for thorough and timely information about firm performance. And some corporations have used artful and intricate financial arrangements to hide the true risks of the investment.

We need to get back to basic capitalism. In a system based on the willingness to take risks, investors need to know the true nature of the risks. The investor has the right to a true and fair picture of assets, liabilities, and income. Management has a good-faith obligation to provide that information, attracting investment by building on strengths, not by clever concealment of weaknesses.

And to further ensure that information is reliable, we will need reforms within the accounting profession. Auditors are a critical external check on management, and we must ensure that the integrity of their work is never compromised. Accounting is one of the most basic and one of the most respected professions in our country, and it can help protect its own integrity by developing and enforcing clearer standards of conduct.

The profession also needs an independent regulatory board to hold accounting firms to the highest ethical standards. And the SEC should exercise more effective and broad oversight of accounting standards. The SEC should also do more to guard against conflicts of interest, requiring, for example, that an external auditor not be permitted to provide internal audits to the same client.

And finally, auditors should do more than evaluate a company by minimum standards. Instead, the auditors should compare the company's financial controls to the best industry practices and give those findings to the audit committee.

You know, we're passing through extraordinary times here in America. We fight a war—a real war—to protect our homeland by bringing terrorists to justice. We stand strong against evil abroad—I mean, we are standing strong and determined and united against evil. We're finding strength at home through the gathering momentum of millions of acts of kindness and generosity and goodness, neighbors helping neighbors, Americans adhering to the age-old call to love someone just like you'd like to be loved yourself.

America is ushering in a responsibility era, a culture regaining a sense of personal responsibility, where each of us understands we're responsible for the decisions we make in life. And this new culture must include a renewed sense of corporate responsibility. If you lead a corporation, you have a responsibility to serve your shareholders, to be honest with your employees. You have a responsibility to obey the law and to tell the truth.

Business relationships, like all human relationships, are built on a foundation of integrity and trust. When those values are practiced and expected, our economy and our country are stronger.

We're seeing some challenges and some changes in American business and American enterprise. Yet this annual presentation is a reminder of things that must never change, the passion for excellence, the drive to innovate, the hard work that goes with any successful enterprise, the need to be open, the call for integrity. This year's Baldrige Award winners have shown these qualities and have taken their place in a distinguished line of leaders.

Once again, my congratulations to you all. May God bless your enterprises, and may God bless America.

NOTE: The President spoke at 11:05 a.m. in the International Ballroom Center at the Washington Hilton Hotel. In his remarks, he referred to Margaret "Midge" Baldrige, widow of former Secretary of Commerce Malcolm Baldrige; and Letitia Baldrige, his sister.

### **Remarks Following a Meeting With the Governor, the Mayor, and the Congressional Delegation of New York**

*March 7, 2002*

Thank you all very much for coming. As you can see, I'm standing with the mighty—and I emphasize "mighty"—New York delegation. Right after the September the 11th tragedy, I made a pledge to Senator Schumer and Senator Clinton, Governor Pataki, the whole delegation, that our Government

would commit at least \$20 billion to help rebuild New York and to take care of the tragedy that befell that magnificent city.

I want to thank the Members who are here who have worked closely with my administration to achieve the common objective of putting \$20 billion of Federal money to help the city, surrounding State, the people. And as a matter of fact, as of right now, there's an over \$20 billion commitment.

Now, this is the right thing to do. It's the absolute right position for our Government to take. It is essential that New York City come back and come back strong, for the good of the entire Nation.

I will tell you that I am so proud of the citizens of the city in that part of our country. They have shown the world how strong America is in the face of tragedy. They've shown a character that runs deep in the American psyche, that we will not be intimidated, that we won't fail. And it's a proud moment for me to thank the delegation here and to welcome the Governor and the mayor and the Senators and Congresspeople. I look forward to continuing to work with these officials as the mighty city of New York recovers.

And so it's now my honor to bring to the podium the Governor of New York City—the State of New York, and then the mayor and then the Senators. First, Governor George Pataki.

NOTE: The President spoke at 1:27 p.m. in the Rose Garden at the White House. In his remarks, he referred to Gov. George E. Pataki of New York and Mayor Michael Bloomberg of New York City.

### **Remarks on the Situation in the Middle East and an Exchange With Reporters**

*March 7, 2002*

**The President.** Good afternoon. I'm deeply concerned about the tragic loss of life and escalating violence in the Middle East. This is a matter of great interest to the United States and all who want peace in the region and in the world.

There is a roadmap to peace. The Tenet security work plan will bring parties together to reduce the violence, improve the security situation, and return to the path of peace.

The Tenet work plan is the first step towards implementing the Mitchell Committee report in full and resuming a political process between the sides.

I'm committed to working with our partners in the region and around the world in the pursuit of this goal. The United States has a vision of a Middle East in which all people, Arabs and Israelis, can live as neighbors in full peace and security.

Recent ideas put forth by the Crown Prince Abdullah—Saudi Arabia have created an opening for discussing this broader peace and for the normalization of relations between Arab States and Israel. The United States is committed to exploring this opening.

Because of our commitment to peace, I'm sending General Tony Zinni back to the region next week to work with Israel and the Palestinians to begin implementing the Tenet work plan so that the parties can renew their efforts for a broader peace. The United States will do all it can to help the Government of Israel and the Palestinian Authority restore hope to their people and to the region.

I once again call upon Chairman Arafat to make maximum effort to end terrorism against Israel, which undermines the prospects for peace. And as we move forward, I'm counting on all parties in the region, Prime Minister Sharon included, to do everything they can to make these efforts a success.

The violence and tragic loss of Israeli and Palestinian lives must end. Families on both sides of the conflict share this goal, and so does my country. Peace and stability will be an important topic of the Vice President's upcoming trip to the region. I've asked him to join me today.

Mr. Vice President.

[At this point, Vice President Cheney and Secretary of State Powell made brief remarks.]

**The President.** I'll answer a few questions. Morris [Dave Morris, Bloomberg News].